Community Living British Columbia

2015/16
ANNUAL SERVICE PLAN REPORT

For more information on Community Living BC contact:

Community Living British Columbia

7th Floor – Airport Square
1200 West 73rd Avenue
Vancouver, British Columbia
V6P 6G5
Email: info@communitylivingbc.ca

Fax:
604-664-0765

Phone: 604-664-0101 / Toll Free: 1-877-660-2522

Twitter:
@CLBC_connect

Facebook:
www.facebook.com/CLBC.selfadvocates
www.facebook.com/CLBC.families

Website:
www.communitylivingbc.ca

Board Chair's Accountability Statement

The CLBC *2015/16 Annual Service Plan Report* compares the corporation's actual results to the expected results identified in the *2015/16 – 2017/18 Service Plan*, and I am accountable for those results as reported.

Tom P. Christensen
Board Chair, Community Living British Columbia

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Chair/CEO Report Letter

Community Living BC honoured two special occasions in 2015/16 – our 10th anniversary in July and British Columbia's 17th Community Living Month in October. Through events around the province we sought to recognize the individuals and families we serve, our service providers and community partners, all of whom contributed to our vision for good lives in welcoming communities.

Accountability to individuals and families is a cornerstone in CLBC's work. We are focused on continuing to strengthen quality services while taking initiative to meet the challenges ahead. We want to increase responsiveness to individuals and families by working smarter, and by being efficient and innovative. These are big ambitions, but we are developing strategies, partnerships and approaches to succeed.

One way that CLBC ensures public accountability is by working closely with government. Our Strategic Engagement Plan with the Ministry of Social Development and Social Innovation (SDSI) formalizes a commitment to share information and work together to meet future needs. The plan includes regular senior leadership meetings, and will improve quality service delivery to the people we serve by aligning strategies and planning with government.

CLBC ensures the Taxpayer Accountability Principles are applied across programs and services. Board directors and senior management review the principles in orientation, with an enhanced focus on how *cost-consciousness*, *accountability*, *appropriate compensation*, *service*, *respect* and *integrity* apply throughout governance and operations. In 2015/16, directors also participated in two central agency conferences on strong boards and leadership in public sector organizations, to promote excellence in stewardship at CLBC's highest levels.

With this report, we affirm our ongoing commitment to our vision and mandate, and to high standards of public accountability. We are grateful to all those who are supporting CLBC to achieve these goals.

Tom P. Christensen
Board Chair, Community Living BC

Seonag Macrae
CEO, Community Living BC

Purpose of the Organization

Community Living British Columbia (CLBC) is a crown corporation funding supports and services to help eligible individuals meet their disability-related needs and participate in their communities in meaningful ways.

The Community Living Authority Act and Community Living Authority Regulation define two groups of individuals who are eligible for CLBC services:

- Adults with a developmental disability, and
- Adults diagnosed with fetal alcohol spectrum disorder or an autism spectrum disorder, and who have significant limitations in adaptive functioning.

CLBC's Board of Directors provides strategic, planning and budgetary oversight in accordance with the Community Living Authority Act, and establishes the corporation's vision, mission and values. Transparency in governance and operations is provided through the board's five-year Strategic Plans, three-year Service Plans and Annual Service Plan Reports, which are prepared for government, and are available to the public. The Provincial Advisory Committee and regional Community Councils ensure two way communications with the communities we serve.

CLBC employees plan and monitor services for a range of residential, employment, community inclusion and respite services, which are delivered through contracts with service providers and person-centred societies or through individualized funding agreements. The quality of services is maintained through various quality assurance, contracting and financial reporting requirements.

Corporate accountability and transparency is reinforced by open board meetings, publication of corporate reports, comprehensive organizational policy frameworks, program reviews, regular communication with government, a formal complaints resolution process, a whistle blower policy, and an internal audit function.

Strategic Direction and Context

Strategic Direction

CLBC is accountable to the Legislature through the Minister of Social Development and Social Innovation (SDSI). The Annual Mandate Letter provides direction and sets policy objectives and performance priorities, in alignment with the Province of British Columbia Strategic Plan. CLBC's policies, processes and values capture the provincial Taxpayer Accountability Principles of cost consciousness (efficiency), accountability, appropriate compensation, service, respect and integrity.

CLBC's 2015/16 Mandate Letter from government set expectations around the year's partnerships with government. Priorities included: continuing to support and champion the Services to Adults with Developmental Disabilities (STADD) integrated service delivery model, ongoing implementation of the Strategy on Aging, leveraging opportunities with the Employment Plan of BC, improving services to First Nations communities, addressing key challenges and opportunities from the Minister of Finance's Internal Audit Report and the Deputy Ministers' 12 Point Plan, and continuing to bend the overall cost curve of services and programs while ensuring administrative cost restraints.

Strategic Context

CLBC continues to see an increase in demand for services for individuals and families. At March 31, 2016, CLBC staff and service providers were supporting 17,701 adults with developmental disabilities, and 1,173 through the Personalized Supports Initiative (PSI), for a total of 18,874 eligible individuals. This represents an annual increase of 6.7 percent since the end of 2014/15, and 38 percent growth over five years. Factors driving CLBC service growth include increases in the general population, referrals of youth identified in the school system, service requests by young adults leaving the family home, adults with complex needs, changing support needs of older adults and assistance to aging family members supporting loved ones at home.

The nature of services is also changing, with growing demand for individualized and person-centred offerings, employment and meaningful community inclusion, and a need for better approaches for serving people with multiple, complex support needs.

CLBC's 2012-2016 Strategic Plan sets **three strategic directions**, to meet changing service demands and strengthen system responsiveness and sustainability, while mitigating risk around costs and staff capacity. In 2015/16, CLBC further refined strategic directions in response to current opportunities and demands. Each embeds the Taxpayer Accountability Principles of cost consciousness, accountability, appropriate compensation, service, respect and integrity, and makes meaningful contributions to the Province of British Columbia's Strategic Plan 2015/16 – 2018/19 strategies for a secure tomorrow.

- **Enhance Participation and Citizenship** – CLBC will continue to shift organizational approaches to ensure staff, operations, training and service delivery processes are aligned to provide person-centred responses to individuals and families. Assisting individuals to participate in their communities can lead to improved quality of life outcomes, including increased social inclusion and financial well-being. Individualized funding provides opportunities for individuals and families to customize their services to best meet their needs and interests. ***2015/16 activities included promoting meaningful community participation by:*** *increasing opportunities for employment, enhancing linkages to natural community supports, advancing quality of life as central to our work and enhancing our ability to measure quality of life data.*

- **Increase Sustainability** – CLBC will continue to implement initiatives to increase cost-effectiveness in service delivery, while maintaining quality services and increasing equitable access to resources. CLBC is working with social service ministries and sector partners to address long-term sustainability and priorities identified at the BC Community Social Services Innovation and Sustainability Roundtable. Work will continue towards better alignment with initiatives such as Services to Adults with Developmental Disabilities (STADD). ***2015/16 included promoting long-term sustainability by:*** *partnering in cross-ministry collaborations, advancing employment, improving equitable access to services and increasing focus on best practices for older adults.*

- **Promote Innovation and Resilience** – CLBC will continue to explore how to best support service excellence and a sustainable service delivery system. CLBC's quality framework reflects a culture of continuous quality improvement, and includes quality assurance activities

such as service provider reporting and monitoring. We will continue to implement our human resources strategy to recruit, retain, and support staff to meet strategic objectives. CLBC is increasing capacity through technology use, a refined organizational structure, workload efficiencies, staff training and strategic project implementation. We are working with the Ministry of Social Development and Social Innovation (SDSI) to assess business requirements and feasibility of adopting the Integrated Case Management System. ***2015/16 included promoting innovation and resilience by:*** *identifying and facilitating opportunities for innovation, and enhancing service delivery quality and workforce efficiency in key areas.*

Report on Performance

We made considerable progress this year against the CLBC Strategic Plan, which expires at the end of 2016. CLBC celebrated its tenth anniversary in 2015/16, which was a good time to reflect on both the challenges and successes of our first decade. While much is still to be done, significant progress has been made towards improving our systems and processes, and we are placing new focus on how best to measure our successes.

The 2015/16 Mandate Letter set this year's priorities in partnership with government, relating to integrated service delivery, service partnerships, services to First Nations communities, integrated information management and sustainable service planning. Highlights include launching work on best practices to meet the age-specific needs of older adults with developmental disabilities, and collaborations with the Employment Program of BC (EPBC) and Work BC to increase employment opportunities for CLBC funded individuals. Achievements are further discussed in Appendix B - Community Living BC Mandate and Actions Summary.

CLBC has enhanced accountability to government and taxpayers through the Taxpayer Accountability Principles Action Plan. In collaboration with SDSI, implementation of the Accountability Framework is ensuring better strategy and planning in line with government direction. The new Performance Measurement Framework structures regular reporting on organizational health and performance. Development of the Strategic Engagement Framework formalizes quarterly and monthly senior leadership meetings to ensure planning and alignment within government priorities. CLBC also developed stewardship capacity at senior levels by enhancing board and executive orientation on the Taxpayer Accountability Principles, and through board participation in central agency conferences.

Goals, Strategies, Measures and Targets

CLBC reports on annual performance against targets, as established in three-year Service Plans.

This will be the last year CLBC reports against the eight performance measures identified in the 2015/16 – 2017/18 Service Plan. The nature of services is evolving, demand is growing, priorities are shifting and CLBC is a more mature organization. To reflect these shifts, the goals of service excellence, organizational responsiveness and operational efficiency, will evolve into the new goals of effective services, responsiveness to individuals and families, community engagement, and stewardship, which more clearly articulate our organizational objectives. There are nine new

performance measures in the 2016/17 – 2018/19 Service Plan, which better align with what we have become, how we work and what we want to achieve.

Goal 1: Service Excellence

Service excellence speaks to capacity and effectiveness in responding to the disability-related needs and citizenship goals of eligible adults.

CLBC seeks to deliver excellent services in a principled manner. CLBC's approaches include promoting choice and innovation in how needed supports and services are delivered and assisting adults to achieve maximum independence while living full lives in their communities. Pursuit of this goal aligns with the Province of British Columbia's strategic goal of supporting vulnerable families, with the service principle from the Taxpayer Accountability Principles and with directions set in CLBC's 2015/16 Mandate Letter.

Strategies

- Engage with the network of service providers to deliver effective and cost-efficient services to eligible adults. CLBC applies a comprehensive framework of funding guidelines, contracting, reporting and monitoring processes. This strategy reflects the service principle from the Taxpayer Accountability Principles.
- Provide services to individuals living in First Nation communities, promoting equivalent access to services across the province through application of policies and standards.
- CLBC employees comply with a Code of Conduct as a condition of employment and are required to adhere to CLBC's Conflict of Interest Policy. These measures protect the interest of people supported by CLBC and reflect the "integrity" principle from the Taxpayer Accountability Principles, a principle that is intentionally reinforced throughout CLBC's operations.
- Develop solutions to increase access to and use of individualized funding. This strategy promotes person-centered services that are tailored to meeting individuals' unique support needs.

Performance Measure 1.1: Percentage of individuals and families who feel well supported by their service providers

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Percentage of individuals and families who feel well supported by their service providers	74%	78%	79%	80%	80%	n/a	n/a

Data Source: CLBC's Annual Consumer Satisfaction Survey, which is conducted by an independent research firm with 1,200 individuals and those who support them.
Future Targets: Not included for Performance Measure 1.1 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- CLBC met its target of 80 percent of surveyed individuals and family members feeling supported by their service providers, which marks year over year improvements for the past

four years.

- Satisfaction levels speak to the quality of CLBC's third party service providers, their ability to deliver effective and cost-efficient services, and their ability to meet the expectations of individuals and families.
- CLBC's service providers are partners in service delivery and they are held to high standards. Service provider expectations are set through contractual frameworks to ensure compliance with CLBC policies and standards, critical incident reporting framework, certification of home share providers, and robust monitoring and complaints resolution processes. Service providers whose revenues exceed $500,000 are internationally accredited, providing assurance they meet regulated standards in their industries.
- Service providers support CLBC's work by being experts in their field, managing front line relationships with individuals and families, and delivering on service expectations and outcomes. CLBC engaged service providers in consultation around critical incidents, individual supports planning, employment, individualized funding (host agency), and the development of a new service combining employment with other supports.

Performance Measure 1.2: Number of individuals and families who purchased supports and services using individualized funding

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Number of individuals and families who purchased supports and services using individualized funding	393	457	526	575	579	n/a	n/a

Data Source: PARIS service delivery information management system and CLBC's accounting systems. Regular data quality audits and accounting audits are conducted on these systems to ensure validity of data.
Future Targets: Not included for Performance Measure 1.2 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- CLBC met its targets, with 579 individuals and families purchasing supports and services using Individualized Funding.
- Research indicates that Individualized Funding helps people to secure more person-centred, responsive service options, because individuals and their families play a greater role in deciding how their personal needs are met.
- There has been modest growth in the use of Individualized Funding over the past four years, reflecting a growing demand by families and individuals wanting more choices and greater control. At the same time, CLBC has put considerable effort into understanding challenges and developing strategies to further increase the use of Individualized Funding.
- 2015/16 accomplishments have included: collaboration with the Centre for Inclusion and Citizenship in the October 2015 Claiming Full Citizenship conference to learn from international experiences, completing a plan to improve existing Individualized Funding offerings, and supporting family groups to explore family governance.
- CLBC has modified this performance measure in next year's Service Plan to also focus on person-centred societies, as a means to more broadly capture individualized service preferences.

Performance Measure 1.3: Number of families who receive direct payments for respite

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Number of families who receive direct payments for respite	1,374	1,624	1,909	2,125	2,178	n/a	n/a

Data Source: PARIS service delivery information management system and CLBC's accounting systems.
Future Targets: Not included for Performance Measure 1.3 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- In 2015/16, CLBC exceeded its target of 2,125 families, with continued growth over the past four years.
- This performance measure speaks to the number of families who receive funding for respite services. Direct funding for respite is an important element of CLBC's service offerings, because it enhances the resiliency of families caring for family members at home.
- CLBC will continue to promote the use of direct payments for both IF and respite, because they provide user control and flexible responses to varied needs and interests. Growth in direct family respite in part reflects CLBCs commitment to support all families with youth transitioning to CLBC services, as they are eligible for $2,800 annually to purchase respite or an alternative preferred service.

Goal 2: Organizational Responsiveness

Organizational responsiveness reflects how effectively CLBC supports community living programs and objectives. Flexibility and responsiveness are essential in supporting the changing needs and circumstance of individuals and families.

CLBC is responsive and accountable to stakeholders through the services that it delivers as well as through its governance structures, notably open board meetings and publicly available annual reporting, strategies and policies. CLBC staff work with local, regional and provincial partners to implement innovative services that promote community inclusion. Further, CLBC and Social Development and Social Innovation (SDSI) communicate regularly around planning and reporting, to ensure effective and cost-efficient service delivery.

This goal aligns with the secure tomorrow strategy of the Province's Strategic Plan, with the service, accountability and respect principles from the Taxpayer Accountability Principles, and with directions set in CLBC's 2015/16 Mandate Letter.

Strategies

- Continue to be responsive to individuals and families through a culture of continuous quality improvement and quality assurance activities. This strategy reflects the service principle from the Taxpayer Accountability Principles.
- Listen and learn through ongoing dialogue with individuals, families, community members, service providers, and government and community partners about operational changes, policy

direction and new initiatives. This strategy reflects the respect principle from the Taxpayer Accountability Principles.

- Remain committed to the Services to Adult with Developmental Disabilities (STADD) initiative. Senior leadership will continue to champion the initiative with CLBC staff and eligible individuals. Local staff will continue to work closely with government partners to implement integrated service delivery.
- Implement all components of the Accountability Framework developed by CLBC and the Ministry of Social Development and Social Innovation (SDSI) that defines financial reporting, strategic engagement and performance monitoring deliverables. This strategy reflects the accountability principle from the Taxpayer Accountability Principles.

Performance Measure 2.1: Percentage of individuals and families who feel their concerns were listened to

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Percentage of individuals and families who feel their concerns were listened to	74%	75%	79%	80%	78%	n/a	n/a

Data Source: The data source for this performance measure is the annual Consumer Satisfaction Survey.
Future Targets: Not included for Performance Measure 2.1 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- The shortfall from the target and previous year are within the margin of error of the survey and most likely represent a relatively constant level of satisfaction with CLBC's responsiveness to concerns of individuals and families
- This performance measure speaks to whether individuals and families felt CLBC staff listened to their concerns, but may also be influenced by whether results met their expectations.
- Results relate to ongoing individual and family concerns about obtaining needed supports when organizational resources are limited; this interpretation is supported by growth in volume of 2015/16 complaints around resource allocation. CLBC experiences a steady annual growth in demand for supports and services, with a 6.7 percent increase in eligible individuals in this fiscal year, and 38 percent over five years.
- CLBC advanced a variety of work to increase responsiveness to individuals and families. Restructuring of regional operations, which will continue in 2016/17, is intended to facilitate person-centred approaches in our work, and reduce timelines in communications and decision-making. Other initiatives include: development of a more responsive approach to individual support planning and considerable focus on employment services.
- CLBC works closely with individuals and families to engage them about their service needs and interests, as a part of the person-centred approach applied to all service areas. Highlights of 2015/16 activities to put individuals at the centre of our work include: inclusion of individuals and families in service design, the development of a new more responsive planning process, substantial planning around how to support caregivers and older adults, and investment in community councils that connect us to the people we serve.

Performance Measure 2.2: Percentage of individuals and families who feel their concerns were addressed in a timely manner

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Percentage of individuals and families who feel their concerns were addressed in a timely manner	70%	70%	68%	72%	67%	n/a	n/a

Data Source: The data source for this performance measure is the annual Consumer Satisfaction Survey.
Future Targets: Not included for Performance Measure 2.2 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- This measure speaks to CLBC's ability to respond to concerns within reasonable time frames.
- In 2015/16, CLBC fell short of the 72% target for addressing individual and family concerns in a timely manner. The variance can be attributed to a number of factors, however, it is an area where CLBC is committed to improving performance.
- Listening and providing timely responses to the concerns of the people we serve is a priority and CLBC is making changes to improve performance in this area. We are managing caseload growth within current staffing levels, but training staff to improve communication with individuals and families. We are making investments in technology, to increase productivity, and regional reorganization, to reallocate responsibilities and increase the time that staff will have to support individuals and families. Key initiatives to improve CLBC's responsiveness include: the Okanagan LEAN project to improve efficiency in regional resource allocation processes, and the Services to Adults with Developmental Disabilities (STADD) integrated service delivery model.
- Responsiveness to individuals and families is one of four goals in the 2016/17 - 2018/19 Service Plan, and will be addressed in a number of ways. Performance measures have been updated to track responsiveness using new metrics, focussing on timelines for formal complaints resolution processes, and how well individuals and families understand their service options before support plans are finalized. CLBC will continue to use continuous quality improvement and quality assurance approaches to ensure user feedback improves service delivery.

Performance Measure 2.3: Percentage of individuals and families who feel they were provided with useful referrals and resources

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Percentage of individuals and families who feel they were provided with useful referrals and resources	68%	69%	67%	72%	70%	n/a	n/a

Data Source: The data source for this performance measure is the annual Consumer Satisfaction Survey.
Future Targets: Not included for Performance Measure 2.3 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- CLBC increased the percentage of individuals and families who feel they were provided with useful referrals and resources, though overall performance fell short of the 72% target.
- This measure speaks to the ability of regional staff to match individual and family needs to

available resources, information, services, supports and opportunities.

- CLBC is developing tools, resources and staff capacity to better connect individuals and families to refferals and resources that meet their needs. Key initiatives, which also address CLBC's commitments under the CLBC/SDSI Accountability Framework, include: supporting the Family Support Instititute's development of the FindSupportBC.com resource site for individuals and families, supporting the Services to Adults with Developmental Disabilities (STADD) initiative in piloting a single point of of contact for youth transitioning to adult services, developing the framework for a new planning approach that provides referrals and resources beyond services, and streamlining youth access to employment for Work BC services.

Goal 3: Operational Efficiency

Operational efficiency speaks to CLBC's overall effectiveness in allocating and managing its financial and human resources. CLBC is committed to meeting the needs of individuals and their families by maximizing the percentage of funding going to direct supports and services. In doing so, CLBC strives to minimize its administrative and staffing costs.

This goal aligns with goal of Fiscal Responsibility and commitment to the Taxpayer Accountability Principles from the Province of British Columbia's Strategic Plan. More specifically, it aligns with the service, cost-consciousness (efficiency) and appropriate compensation principles from the Taxpayer Accountability Principles. It also aligns with directions in CLBC's Mandate Letter, in particularly to continue to ensure cost effective service delivery by implementing initiatives that increase efficiency in the delivery of services and programs and ensuring restraint around administrative costs.

Strategies

- Continue to support informed, fair and consistent decision-making about the types and levels of CLBC funded service for eligible individuals.
- Deliver innovative, cost-effective employment services that increase opportunities for employment for individuals who want to secure a job.
- Work with social service ministries and sector partners to identify and support innovation and strategies within CLBC and the broader sector that address issues of long term sustainability and the priorities identified at the BC Community Social Services Innovation and Sustainability Roundtable.
- Collective agreements govern the bargaining unit employees' compensation framework and CLBC's compensation for excluded staff is in alignment with the Public Sector Employer's Council (PSEC) compensation guidelines.

Together, these strategies reflect the cost consciousness (efficiency), service and appropriate compensation principles from the Taxpayer Accountability Principles.

Performance Measure 3.1: Percentage of annual funding used for direct service delivery

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Percentage of annual funding used for direct service delivery	93.2%	92.9%	93.0%	93.6%	93.7%	n/a	n/a

Data Source: The data source for this performance measure is CLBC's corporate accounting system, which is subject to internal and external audit processes.
Future Targets: Not included for Performance Measure 3.1 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- CLBC exceeded its target of directing 93.6 percent of funding to direct services for individuals and families in 2015/16.
- This measure speaks to CLBC's ability to keep administrative expenditures low while delivering quality services to individuals and families.
- Efficiencies derived from IT investments and a significant one-time scaling back of certain initiatives enabled CLBC to achieve this year's target. IT investments included implementation of MyWorkspace, a new contract management system. Spending reductions mainly impacted *includeMe!*, quality of life outcome measurement and employment initiatives.
- CLBC continually strives to maximize the percentage of funding dedicated to direct services by optimizing business processes, such as direct decision-making about the types and levels of funded services to individuals.

Performance Measure 3.2: Percentage of adults who choose to receive smaller, individualized living arrangements

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target	2015/16 Actual	2016/17 Target	2017/18 Target
Percentage of adults who choose to receive smaller, individualized living arrangements	63%	64%	63%	65%	66%	n/a	n/a

Data Source: The data source for this performance measure is the PARIS service delivery management information system.
Future Targets: Not included for Performance Measure 3.2 as it is not in CLBC's 2016/17 - 2018/19 Service Plan.

Discussion

- 2015/16 saw ongoing growth in the percentage of residential services provided for smaller, individualized living arrangements, with CLBC exceeding its target of 65 percent.
- This measure accounts for residential services with 1 to 2 beds in shared living, supported living, cluster living and staffed residential arrangements.
- Results reflect increasing demand for more personalized services, with smaller residential arrangements providing more opportunities for meaningful community integration. While staffed residential resources (group homes) will continue to be an option for individuals who require intensive support, people are increasingly choosing less staff-intensive arrangements, which are also more cost effective. Residential services represent about 60 percent of CLBC's contracted service expenditures.

- In 2015/16, CLBC focused on key initiatives to improve quality and confidence in home sharing services, including the launch and delivery of the home study certification course and the home sharing standards course for service providers contracting home sharing staff.

Financial Report

Discussion of Results

Overview

The discussion and analysis of the financial results from operations and financial position for the year ended March 31, 2016 should be read in conjunction with the audited financial statements and accompanying notes.

CLBC provides supports and services to eligible individuals through contractual arrangements with non-profit and private agencies throughout the province, through direct funding to families, and through the operation of the Provincial Assessment Centre. Management of CLBC's contractual relationships and the planning and support for individuals and their families is conducted through offices distributed around the province, supported by a corporate office in Vancouver. The *Community Living Authority Act* mandates that CLBC not operate at a deficit without the prior approval of the responsible Minister.

Table 1 - Financial Resource Summary Table

$ millions	Actual					2015/16		More (Less) Than	
	2010/11	2011/12	2012/13	2013/14	2014/15	Budget	Actual	Budget	2014/15
Operating Revenue									
Contributions from the Province									
Government transfers	684.1	694.7	730.8	778.3	796.6	834.3	834.3	-	37.7
Restricted - operating	2.4	(2.4))	(1.5)	(6.9)	9.7	3.5	3.3	(0.2)	(6.4)
Restricted - capital	(5.5)	(4.8))	(2.0)	(2.0)	(3.9)	(4.1)	(3.1)	1.0	0.8
Net operating contributions	681.0	687.5	727.3	769.4	802.4	833.7	834.5	0.8	32.1
Other income	12.2	13.7	14.7	15.2	15.7	16.1	16.3	0.2	0.6
Amortisation of capital contributions	2.4	2.6	3.0	4.1	3.7	2.7	2.9	0.2	(0.8)
Total Revenue	695.6	703.8	745.0	788.7	821.8	852.5	853.7	1.2	31.9
Operating Expenses									
Supports and services									
Developmental Disabilities program	639.7	643.8	680.0	715.3	743.1	772.1	775.4	3.3	32.3
Personalised Supports Initiative	1.8	6.0	9.9	12.9	16.5	21.2	19.5	(1.7)	3.0
Provincial services	4.6	4.7	4.6	4.8	4.8	4.8	4.9	0.1	0.1
	646.1	654.5	694.5	733.0	764.4	798.1	799.8	1.7	35.4
Regional operations & administration	46.0	46.2	47.2	51.4	53.6	51.7	51.0	(0.7)	(2.6)
Amortisation of tangible capital assets	3.2	3.1	3.3	4.3	3.8	2.7	2.9	0.2	(0.9)
Total Expense	695.3	703.8	745.0	788.7	821.8	852.5	853.7	1.2	31.9
Annual Surplus	0.3	-	-	-	-	-	-	-	-
Supports and services compared to total expense	*92.9%*	*93.0%*	*93.2%*	*92.9%*	*93.0%*	*93.6%*	*93.7%*	0.1%	0.7%
Accumulated Surplus	3.7	3.7	3.7	3.7	3.7	3.7	3.7	-	-
Total Debt	0.3	0.2	0.1	-	-	-	-	-	-
Capital Expenditures	3.4	3.8	3.3	3.6	3.6	4.1	3.7	(0.4)	0.1

CLBC closed the year ended March 31, 2016 with a balanced budget, while providing new or increased supports and services improving the lives of 2,797 individuals and costing $38.2 million in the year ($35.6 million for the Developmental Disability program and $2.6 million for the Personalized Supports Initiative). The financial results for the year are summarized in Table 1 on the previous page and are further explained in the following sections.

Service Demand Growth

The number of individuals identified as eligible for CLBC services continues to grow at a higher rate than the overall provincial population. As of March 31, 2016, that number reached 18,874, a 6.7 per cent increase within the year and a 38 per cent increase over five years. As in prior years, those aged 19 to 23 make up the bulk of the growth, with 1,068 of the 1,359 new individuals in 2015/16 being within that age group.

Table 2 - Adults Eligible for CLBC Services

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Number of individuals with open files at year end						
Developmental Disabilities Program	13,481	14,241	15,055	15,942	16,774	17,701
Personalised Supports Initiative	169	341	513	711	923	1,173
	13,650	14,582	15,568	16,653	17,697	18,874
Increase within the year[1]						
Developmental Disabilities Program	766	760	814	887	832	927
Personalised Supports Initiative	149	172	172	198	212	250
	915	932	986	1,085	1,044	1,177
Annual rate of increase	7.2%	6.8%	6.8%	7.0%	6.3%	6.7%

Note 1 The increase within each year reflects the number of new individuals less the number who are no longer with CLBC, usually due to mortality

In addition to the service demand generated by the increase in the number of eligible individuals, demand is also generated by the increasing disability-related support needs of those already with CLBC as they and their care-givers age. CLBC continues to address the impact of its increasing service demand through:

- effective planning and prioritising of service provision,
- prudent procurement and contract management processes,
- respectful consultations with its contracted service providers, and
- ongoing refinements to its information management systems.

As a result, with a 22 per cent increase in annual contributions from the Province over the last five years, CLBC has been able to support a 38 per cent increase in eligible individuals over the same period.

Operating Revenue

Funding for CLBC operations is provided by contributions from the Province, cost sharing arrangements with health authorities relating to individuals who also have health-related issues, and other income.

Contributions from the Province consist of funding for operating expenditures and funding restricted for capital expenditures. Some of the funding for operating expenditures may be restricted for specific purposes. Restricted operating funding is recognized as revenue when related expenditures are incurred. As identified in Table 1, $37.7 million in additional contributions were made available by the Province in 2015/16, including $3.4 million to address costs related to the Economic Stability Mandate for CLBC's service providers. After taking into account year-to-year changes in the impacts of restricted funds, this translates to a $32.1 million increase in net operating contributions, which was $0.8 million more than budgeted.

Other income was up from 2014/15 due to increases in health authority cost share agreements. This change, together with fluctuations in amortization costs brought the total operating revenue to $853.7 million which was $1.2 million more than budgeted, and $31.9 million higher than in 2014/15.

Operating Expenses

a) Supports and Services

The majority of the individuals served by CLBC have life-long support requirements. As a result, most supports implemented represent ongoing commitments and expenditures. CLBC carefully manages its available resources over multiple years, monitoring the impact of the current year's commitments as they annualize into the following year. Annualization costs and the costs of new service implementation are funded by increases in operating revenue and by reinvestment of contract recoveries realized on existing contracted supports.

In 2015/16, CLBC provided new and incremental services through the Developmental Disabilities program benefitting 2,455 individuals costing $35.6 million within the year, while addressing $17.2 million in annualization costs for services implemented in the prior year, and $5.5 million for service provider costs related to the Economic Stability Mandate. These outlays were offset by higher than budgeted contract recoveries, but still resulted in a $32.3 million increase in spending from 2014/15, which was $3.3 million more than budgeted. See Table 3 on the following page for further information, including prior year comparisons.

Table 3 - Supports and Services for Adults with Developmental Disabilities

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Total Number of Eligible Individuals at Year End	13,481	14,241	15,055	15,942	16,774	17,701
% increase from prior year	6.0%	5.6%	5.7%	5.9%	5.2%	5.5%
New Services Implemented						
Number of services	2,231	3,374	4,547	4,485	4,739	4,150
Number of individuals provided new services	1,361	1,875	2,810	2,695	2,912	2,455
Cost within the fiscal year ($ millions)	21.6	25.1	33.7	35.6	37.5	35.6
Annual cost of service ($ millions)	31.5	44.6	53.9	53.1	54.7	51.2
Average annual cost of new services per person ($ thousands)	23.1	23.8	19.2	19.7	18.8	20.9
Contracted Service Recoveries						
Recoveries within the fiscal year ($ millions)	28.1	21.2	17.3	19.7	22.7	21.1
Annual ongoing service recoveries ($ millions)	39.1	27.7	19.3	21.1	27.9	26.4
Average Total Annual Cost per Eligible Individual						
($ thousands)	48.8	46.4	46.4	46.2	45.4	45.0

Through the Personalised Supports Initiative, CLBC addressed $2.8 million in service annualization costs and implemented new and incremental services benefitting 342 individuals and costing $2.6 million in the year. The offsetting impact of contract recoveries resulted in expenditures being only $3.0 million higher than in 2014/15 and $1.7 million lower than budgeted.

Table 4 - Supports and Services - Personalized Supports Initiative

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Total Number of Eligible Individuals at Year End	169	341	513	711	923	1,173
New Services Implemented						
Number of services	314	522	583	538	608	519
Number of individuals provided new services	117	209	259	297	364	342
Cost within the fiscal year ($ millions)	1.6	3.3	3.7	2.8	3.6	2.6
Annual cost of service ($ millions)	3.2	4.8	5.6	5.1	6.4	4.2
Average annual cost of new services per person ($ thousands)	27.4	23.0	21.5	17.2	17.5	12.2
Contracted Service Recoveries						
Recoveries within the fiscal year ($ millions)	-	0.6	1.2	1.7	2.4	2.1
Annual ongoing service recoveries ($ millions)	-	0.8	1.3	1.4	2.3	2.4
Average Total Annual Cost per Eligible Individual						
($ thousands)	19.2	23.6	23.1	21.1	20.2	18.6

Provincial Services includes the Provincial Assessment Centre, which accounted for $3.7 million in 2015/16, and a provincial travel subsidy program managed by the Ministry for individuals who are eligible for CLBC supports and services. Spending for this area was in line with the budget and with prior year spending.

b) Regional Operations and Administration

CLBC's funding priority is always the delivery of supports and services to the supported individuals and families, with at least 93% of the budget being used for that purpose. The costs related to the many CLBC regional staff working directly with supported individuals are funded through the remaining 7%, along with those who carry out the procurement, contracting and monitoring processes required to maintain service quality, safeguard the health and safety of those supported, and make the best use of available resources. These components have been separately identified in Table 5 below. In 2015/16 the budget for regional operations and administration was constrained in order to maximise services to supported individuals within available funding. As a result spending on regional operations and administration was $2.6 million lower than in 2014/15 and $0.7 million lower than budgeted. Supports and services to individuals made up 93.7% of overall spending, up from 93.0 % in 2014/15.

Table 5 - Regional Operations and Administration

$ millions	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Compensation and benefits						
Individual/family support and planning	7.6	8.1	8.9	9.7	10.1	10.2
Service procurement, contracting and monitoring	15.8	16.7	16.3	17.2	18.0	19.0
Other	7.7	7.9	8.1	9.6	10.3	8.5
	31.1	32.7	33.3	36.5	38.4	37.7
Facilities	4.5	4.8	4.8	4.8	5.0	4.9
Communication and information technology	4.2	3.1	3.4	3.8	4.0	4.1
Other	6.2	5.6	5.7	6.3	6.2	4.3
Total	**46.0**	**46.2**	**47.2**	**51.4**	**53.6**	**51.0**

Accumulated Surplus

Accumulated surplus was unchanged at $3.7 million and includes $1.3 million of contributed surplus arising from assets transferred to CLBC on its incorporation in 2005.

Capital Expenditures

Capital expenditures are required for information systems, leasehold improvements, furniture, equipment and vehicles. CLBC receives capital contributions from the Province annually which are deferred and recognized as income over the life of the assets acquired with the funds. In 2015/16,

information systems development accounted for $2.8 million of the $3.7 million in capital investments, supporting the continued implementation of an integrated suite of applications and supporting infrastructure to manage the provision of services to almost 19,000 individuals through some 6,500 contracts and agreements with 3,800 service providers across the Province.

Auditor's Report and Audited Financial Statements

CLBC has provided the independent auditor's report, with accompanying financial statements for the period ending March 31, 2016. To view these statements, click here.

Appendix A: Additional Information

Overview of Community Living BC

CLBC is committed to changing and improving what we do to ensure individuals eligible for CLBC have the support they need, when they need it, to lead full lives. We are a learning organization committed to being transparent and listening to and learning from our community stakeholders. We value the perspectives and concerns of individuals and their families, Community Councils, service providers, and our government and community partners. Click here to learn more about CLBC.

Corporate Governance

The CLBC Board of Directors ensures that CLBC complies with government's mandate and policy direction, with financial and other policies, and applicable legislation. Its responsibilities include strategic planning, risk management, monitoring organizational and management capacity, internal controls, ethics and values and communication. Click here to learn more about Corporate Governance at CLBC.

Appendix B: Community Living BC Mandate and Actions Summary

In the 2015/16 Mandate Letter from the minister responsible, Community Living BC received direction on strategic priorities for the 2015/16 fiscal year. These priorities and the Crown corporation's resulting actions are summarized below:

Mandate Letter Direction	Crown corporation's Action
1. Maintain senior leadership involvement in the Services to Adults with Developmental Disabilities (STADD) initiative, including: • Continuing to champion initiative with CLBC staff, individuals and families; • Supporting and actively engaging partners around Early Implementation Sites and provincial expansion of Integrated Service Delivery; and • Continuing work to implement the Strategy on Aging with the Ministry of Health.	CLBC's senior leadership continues to engage with STADD in key roles spanning governance, oversight, planning and implementation. STADD is a partnership of government and public service agencies, coordinating a single point of contact for youth, young adults and their families wishing to access supports and services. In January 2016, CLBC assumed responsibility for navigation and planning services to the cohort previously supported by STADD navigators through the Older Adult Early Implementation Site. This includes launching a project to identify best practices for supporting older adults, meeting their age-specific needs, and developing a plan to implement these practices across the province. Work continues in parallel with the Ministry of Health on the three-year Strategy on Aging, developing resources to support caregivers, health care providers and physicians, to better support older adults with developmental disabilities.
2. Work with the Ministry of Social Development and Social Innovation (SDSI) around opportunities to leverage the Employment Program of BC (EPBC) in CLBC employment service offerings.	CLBC is working with SDSI on partnership opportunities with the Employment Program of BC (EPBC). CLBC, EPBC and STADD apply a collective impact approach in planning to increase employment for adults with developmental disabilities, which has resulted in a collaborative workplan, regular and ongoing communication, and a shared measurement framework. The 2015/16 focus has been on leveraging Work BC employment services through integrated training initiatives and promoting collaborative practices between CLBC and Work BC services.
3. Work with SDSI, the Federal Government and individual First Nations communities on opportunities to provide CLBC services on-reserve.	CLBC continues to offer services to individuals in First Nations communities, and has provided CLBC materials to other organizations working in First Nations communities, such as the First Nations Health Authority. This year, in collaboration with the Ministry of Child and Family Development and Delegated Aboriginal Agencies, updates were made to the *Operational Agreement on Services for Transitioning Youth* to include service delivery in First Nations communities.
4. Continue to address key challenges and opportunities identified through the Ministry of Finance's Internal Audit Report and the Deputy Ministers' 12 Point Plan, including: • Implementing the Accountability Framework; • Working with social ministries and sector partners to identify and support innovation and strategies addressing	CLBC has completed a performance management and financial reporting framework with SDSI, as one of the key Accountability Framework action items. CLBC continues to be a partner in the BC Community Social Services Innovation Sustainability Roundtable, and has been working with community living service providers to develop plans to effectively use employment outcomes data. Finally, an assessment was completed with SDSI, on the feasibility of an Integrated Case Management System.

Mandate Letter Direction	Crown corporation's Action
long-term sustainability issues at BC Community Social Services Innovation and Sustainability Roundtable; and • Working with the Social Sector Information Services Division to determine business requirements and feasibility of adopting Integrated Case Management System.	
5. Continue to bend the overall cost curve of services and programs, and ensure transparent restraints around administrative costs.	CLBC constrained the costs of regional operations and administration while increasing investments in services. Changes to organizational processes and structures will reduce costs and increase efficiencies. The implementation of MyWorkspace, a new program contracting platform, has increased staff efficiency in contracting. Regional reorganization, which will continue into 2016/17, will provide a more effective organizational structure, and workflow reviews will increase operational efficiencies. The LEAN pilot project in South Central Okanagan is streamlining resource allocation processes, to provide more timely responses to individuals and families, while increasing the efficiency of staff. Other innovations will bend the cost curve without compromising the quality of services. The continued focus on improving home sharing and employment offerings will deliver on quality of life outcomes, while shifting away from more costly service options.

COMMUNITY LIVING BRITISH COLUMBIA

Audited Financial Statements

March 31, 2016

COMMUNITY LIVING BRITISH COLUMBIA

Management's Report

Management's Responsibility for the Financial Statements

The financial statements of Community Living British Columbia as at March 31, 2016, and for the year then ended, have been prepared by management in accordance with the basis of accounting described in Note 2(a). Other significant accounting policies are described in Notes 2(b)-(e) to the financial statements.

Management is responsible for the integrity and objectivity of these financial statements, and for ensuring that the notes to the financial statements are consistent with the information contained in the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that the financial information produced is reliable. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation and review of the financial statements.

The Board of Directors ("Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board reviews internal financial statements on a regular basis and external audited financial statements annually. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Deloitte LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination, and their opinion on these financial statements. The external auditors have full and free access to management and the Board.

On behalf of Community Living British Columbia

Seonag Macrae
Chief Executive Officer

Richard Hunter
Vice President, Finance/ Chief Financial Officer

Deloitte.

Deloitte LLP
2800 - 1055 Dunsmuir Street
4 Bentall Centre
P.O. Box 49279
Vancouver BC V7X 1P4
Canada

Tel: 604-669-4466
Fax: 778-374-0496
www.deloitte.ca

Independent Auditor's Report

To the Board of Directors of
Community Living British Columbia, and
to the Minister of Social Development and Social Innovation, Province of British Columbia

We have audited the accompanying financial statements of Community Living British Columbia, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, changes in net debt and cash flows for the year then ended, and the notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the statement of financial position of Community Living British Columbia as at March 31, 2016 and the statements of operations, changes in net debt and cash flows for the year then ended are prepared, in all material respects, in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

We draw attention to Note 2 (a) to the financial statements which describes the basis of accounting used in the preparation of these financial statements and the significant difference between the basis of accounting and Canadian Public Sector Accounting Standards. Our opinion is not qualified in respect of this matter.

Deloitte LLP

Chartered Professional Accountants
May 19, 2016
Vancouver, British Columbia

COMMUNITY LIVING BRITISH COLUMBIA

Statement of Financial Position

(Expressed in thousands of dollars)

As at March 31

	2016	2015
Financial Assets		
Cash	$ 22,538	$ 24,739
Accounts receivable (Note 5)	1,202	1,655
Employee retiring allowance amounts receivable (Note 6a)	928	890
	24,668	27,284
Liabilities		
Accounts payable and accrued liabilities	12,742	12,052
Salaries, wages and benefits payable	5,036	5,003
Employee leave liabilities	1,504	1,467
Employee retiring allowance liabilities (Note 6a)	1,563	1,547
Deferred operating contributions (Note 7)	97	3,359
Unspent deferred capital contributions (Note 8)	405	1,027
Deferred capital contributions used to purchase tangible capital assets (Note 8)	10,568	9,749
	31,915	34,204
Net Debt	(7,247)	(6,920)
Non-Financial Assets		
Tangible capital assets (Notes 8 & 9)		
Funded by capital contributions	10,568	9,749
Unfunded	13	47
	10,581	9,796
Prepaid expenses	414	872
	10,995	10,668
Accumulated Surplus (Note 10)	$ 3,748	$ 3,748

Commitments, contractual obligations and contingencies (Note 15)

Approved on behalf of the Board:

Thomas P. Christensen
Chair

David Roy Everett
Finance & Audit Committee Chair

The accompanying notes are an integral part of these financial statements.

COMMUNITY LIVING BRITISH COLUMBIA

Statement of Operations

(Expressed in thousands of dollars)

As at March 31

	2016 Budget (Note 16)	2016 Actual	2015 Actual
Revenues			
Operating contributions from the Province of British Columbia	$ 833,700	$ 834,551	$ 802,407
Cost sharing agreements with regional health authorities	14,500	14,977	14,172
Interest income	900	659	844
Other income	700	700	705
Amortization of deferred capital contributions (Note 8)	2,700	2,861	3,673
	852,500	853,748	821,801
Expenses (Note 14)			
Supports and services:			
Developmental Disabilities Program	772,100	775,454	743,048
Personalized Supports Initiative	21,200	19,479	16,531
Provincial services	4,800	4,859	4,833
Regional operations & administration	51,700	51,061	53,583
Amortization of tangible capital assets	2,700	2,895	3,806
	852,500	853,748	821,801
Annual surplus	$ -	-	-
Accumulated surplus at beginning of year		3,748	3,748
Accumulated surplus at end of year		$ 3,748	$ 3,748

The accompanying notes are an integral part of these financial statements.

COMMUNITY LIVING BRITISH COLUMBIA

Statement of Changes in Net Debt

(Expressed in thousands of dollars)

For the years ended March 31

	2016 Budget (Note 16)	2016 Actual	2015 Actual
Annual surplus	$ -	$ -	$ -
Acquisition of tangible capital assets	(4,100)	(3,680)	(3,549)
Amortization of tangible capital assets	2,700	2,895	3,806
	(1,400)	(785)	257
Decrease (increase) in prepaid expenses		458	(113)
(Increase) decrease in net debt		(327)	144
Net debt at the beginning of year		(6,920)	(7,064)
Net debt at the end of year		$ (7,247)	$ (6,920)

The accompanying notes are an integral part of these financial statements.

COMMUNITY LIVING BRITISH COLUMBIA

Statement of Cash Flows

(Expressed in thousands of dollars)

As at March 31

	2016	2015
Cash provided by (used in):		
Operating activities		
Annual surplus	$ -	$ -
Items not involving cash:		
Amortization of deferred capital contributions	(2,861)	(3,673)
Amortization of tangible capital assets	2,895	3,806
	34	133
(Increase) decrease in non-cash working capital	(1,613)	1,508
	(1,579)	1,641
Financing activities		
Additions to deferred capital contributions	3,058	3,900
Reduction in obligations under capital leases	-	(35)
	3,058	3,865
Capital activities		
Purchase of tangible capital assets	(3,680)	(3,549)
	(3,680)	(3,549)
(Decrease) increase in cash	(2,201)	1,957
Cash, beginning of year	24,739	22,782
Cash, end of year	$ 22,538	$ 24,739
Supplemental information:		
Interest received	$ 650	$ 853

The accompanying notes are an integral part of these financial statements.

1. Authority and purpose

Community Living British Columbia ("CLBC") was established on July 1, 2005 under the Community Living Authority Act as a Crown Corporation of the Province of British Columbia. CLBC is accountable to the provincial government through the Minister of Social Development and Social Innovation (the "Minister") and is dependent on the Ministry of Social Development and Social Innovation ("SDSI") for funding.

CLBC provides community living support to adults with either a developmental disability or a significant limitation in adaptive functioning along with a diagnosis of Fetal Alcohol Spectrum Disorder or Pervasive Developmental Disorder.

Supports and services are delivered throughout the province of British Columbia by independent service providers under contract with CLBC and by the Provincial Assessment Centre of CLBC.

Under the Community Living Authority Act, CLBC is exempt from both federal and provincial income and capital taxes.

2. Significant accounting policies

a) Basis of accounting

These financial statements have been prepared in accordance with section 23.1 of the Budget Transparency and Accountability Act of British Columbia that requires the accounting policies and practices of government organizations to conform to generally accepted accounting principles for senior governments in Canada, as modified by any alternative standard or guideline that is made by the Treasury Board. The Canadian Public Sector Accounting Standards ("PSAS") are the generally accepted accounting principles for senior governments in Canada.

A Treasury Board regulation issued in November 2011 requires tax-payer supported organizations to adopt the accounting policies for capital contributions and other restricted contributions described in note 2(b). Those accounting policies are significantly different from PSAS which requires that government transfers with stipulations be recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Any such liability is reduced, and an equivalent amount of revenue is recognized, as the liability is settled.

The basis of accounting that CLBC applies is different from PSAS with respect to the timing of revenue recognition for government transfers that are restricted for capital purposes. If CLBC had recorded government transfers under PSAS rather than the accounting policy described in note 2(b), capital contributions recognized as revenue and the annual surplus for the year ended March 31, 2016 would have increased by $819 (2015 – decreased by $124). As at March 31, 2016, deferred capital contributions used to purchase tangible capital assets would have decreased and the accumulated surplus would have increased by $10,568 (2015 – $9,749). Under PSAS, the total cash flows from operating, financing, and capital activities for the years ended March 31, 2016 and 2015 would have been the same as reported in these financial statements.

2. **Significant accounting policies (continued)**

a) Basis of accounting (continued)

Had CLBC adopted PSAS together with the not-for-profit standards, another basis of accounting under Canadian generally accepted accounting principles, capital contributions recognized as revenue, deferred capital contributions used to purchase tangible capital assets, and the annual surplus for each year would have been the same as reported in these financial statements.

b) Revenue recognition

Operating contributions from the Province of British Columbia are accounted for in accordance with PS 3410 – *Government Transfers*. Under PS 3410, contributions without stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, and contributions that are subject to stipulations are recognized as revenue in the period when such stipulations are met.

Government transfers received for the purpose of developing or acquiring a depreciable tangible capital asset are deferred and recognized as revenue at the same rate as the amortization, and any impairment, of the tangible capital asset.

Cost sharing agreements with the Province of British Columbia and related entities, interest income and other income are recognized as revenue in the period the transactions or events giving rise to the revenues occur.

c) Financial instruments

Financial instruments include cash, accounts receivable, accounts payable, accrued liabilities, salaries, wages and benefits payable.

Financial instruments are accounted for in accordance with PS 3450 – *Financial Instruments*. Accounts receivable are carried at cost less a valuation allowance. Accounts payable, accrued liabilities, salaries, wages and benefits payable are carried at cost or an estimate thereof.

d) Tangible capital assets

Tangible capital assets are initially recorded at cost. When a tangible capital asset no longer contributes to CLBC's ability to provide services, or the future economic benefit to be provided by a tangible capital asset has permanently declined below its book value, the carrying value of the asset is reduced to reflect the decline in value. Amortization is calculated on a straight-line basis over the assets' estimated useful lives or lease terms at the following rates:

Leasehold improvements	Lease term to a maximum of 5 years
Vehicles	7 years
Furniture and equipment	5 years
Information systems	3-5 years

Assets acquired under capital leases are amortized over the lesser of the estimated life of the asset and the lease term. Systems development work-in-progress represents the unamortized costs incurred for the development of information technology which is not substantially complete. On completion, the work-in-progress balance is transferred to the completed assets account and amortized over its estimated useful life.

2. **Significant accounting policies (continued)**

e) Employee future benefits

Liabilities are recorded for employee retiring allowance benefits as employees render services to earn those benefits. The actuarial determination of the accrued benefit obligations uses the projected benefit method prorated on service. That method incorporates management's best estimate of future salary levels, retirement ages of employees, and other actuarial factors.

Defined contribution plan accounting is applied to the multi-employer defined benefit pension plan because sufficient information is not available to apply defined benefit accounting. Accordingly, contributions are expensed as they become payable.

3. Measurement uncertainty

In preparing these financial statements, management has made estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Significant areas requiring the use of management estimates include the determination of accrued liabilities. Actual results could differ from these estimates.

4. Comparatives

Certain comparative figures have been restated to conform to the current year's presentation.

5. Accounts receivable

	2016	2015
Due from the Province of British Columbia	$ 163	$ 380
GST recoverable	323	313
Due from health authorities	47	319
Other receivables	1,415	1,228
	1,948	2,240
Valuation allowance	(746)	(585)
	$ 1,202	$ 1,655

6. Employee future benefits

a) Employee retiring allowance benefits

Employees with 20 years of service and having reached a certain age are entitled to receive certain lump sum payments upon retirement. These retiring allowance benefit payments are based upon final salary levels and the number of years of service.

Where employees of CLBC have accrued service with other British Columbia government organizations, under an agreement between CLBC and the BC Public Service Agency (PSA), the portion of retiring allowance benefits attributable to periods of employee service other than at CLBC, is recoverable from the PSA.

Retiring allowance liabilities and the related receivable from PSA as of March 31, 2016 and 2015 are based on an actuarial valuation as at March 31, 2014. The next actuarial valuation will be as at March 31, 2017.

	2016	2015
Benefit obligation	$ 1,563	$ 1,547
Amount recoverable from PSA	$ 928	$ 890
Assumed discount rate	4.00%	4.00%
Assumed rate of compensation increase	3.75%	3.75%
Benefit expense	$ 115	$ 115
Benefits paid	$ 65	$ 180

b) Employee pension benefits

CLBC and its employees contribute to the Public Service Pension Plan (the "Plan"), a multi-employer defined benefit plan with approximately 56,000 active members which is administered by the British Columbia Pension Corporation.

CLBC's contributions to the Plan of $3,130 (2015 - $3,083) were expensed during the year.

The most recent actuarial valuation, as at March 31, 2014, indicated a funding surplus of $194,000 for basic pension benefits. The next actuarial valuation will be as at March 31, 2017 with results available in 2018.

7. Deferred operating contributions

Deferred operating contributions represent unspent amounts received from the Province of British Columbia that are restricted for specific operating purposes. Amounts recognized as revenue in the Statement of Operations are recorded as operating contributions from the Province of British Columbia.

	2016	2015
Deferred operating contributions, beginning of year	$ 3,359	$ 13,066
Restricted operating contributions received	9,537	20,000
Amounts recognized as revenue	(12,799)	(29,707)
Deferred operating contributions, end of year	$ 97	$ 3,359

8. Deferred capital contributions

Deferred capital contributions represent amounts received from the Province of British Columbia, restricted for the purposes of acquiring tangible capital assets, which have not been recognized as revenue.

Deferred capital contributions:	2016			2015
	Spent	Unspent	Total	
Balance, beginning of year	$ 9,749	$ 1,027	$ 10,776	$ 10,549
Contributions received	-	3,058	3,058	3,900
Contributions used to purchase tangible capital assets	3,680	(3,680)	-	-
Amounts recognized as revenue	(2,861)	-	(2,861)	(3,673)
Balance, end of year	$ 10,568	$ 405	$ 10,973	$ 10,776

Funded and unfunded tangible capital assets at net book value:	2016			2015
	Funded	Unfunded	Total	
Balance, beginning of year	$ 9,749	$ 47	$ 9,796	$ 10,053
Purchases	3,680	-	3,680	3,549
Amortization	(2,861)	(34)	(2,895)	(3,806)
Balance, end of year	$ 10,568	$ 13	$ 10,581	$ 9,796

9. Tangible capital assets

	Leasehold improvements	Vehicles under capital lease	Vehicles	Furniture and equipment	Information systems	Systems develop. work-in-progress	Total
Cost:							
March 31, 2014	$ 1,705	$ 484	$ 644	$ 1,113	$ 17,407	$ 2,667	$ 24,020
Additions	606	-	23	60	-	2,860	3,549
Disposals	(106)	(130)	-	(7)	(1,050)	-	(1,293)
Transfers	-	(354)	354	-	4,963	(4,963)	-
March 31, 2015	$ 2,205	$ -	$ 1,021	$ 1,166	$ 21,320	$ 564	$ 26,276
Additions	657	-	50	194	-	2,779	3,680
Disposals	-	-	(33)	(48)	-	-	(81)
Transfers	-	-	-	-	1,855	(1,855)	-
March 31, 2016	$ 2,862	$ -	$ 1,038	$ 1,312	$ 23,175	$ 1,488	$ 29,875
Accumulated Amortization:							
March 31, 2014	$ 1,448	$ 449	$ 269	$ 854	$ 10,947	$ -	$ 13,967
Additions	127	18	75	104	3,482	-	3,806
Disposals	(106)	(130)	-	(7)	(1,050)	-	(1,293)
Transfers	-	(337)	337	-	-	-	-
March 31, 2015	$ 1,469	$ -	$ 681	$ 951	$ 13,379	$ -	$ 16,480
Additions	234	-	82	115	2,464	-	2,895
Disposals	-	-	(33)	(48)	-	-	(81)
Transfers	-	-	-	-	-	-	-
March 31, 2016	$ 1,703	$ -	$ 730	$ 1,018	$ 15,843	$ -	$ 19,294
Net Book Value:							
March 31, 2015	$ 736	$ -	$ 340	$ 215	$ 7,941	$ 564	$ 9,796
March 31, 2016	$ 1,159	$ -	$ 308	$ 294	$ 7,332	$ 1,488	$ 10,581

10. Accumulated surplus

The accumulated surplus of $3,748 at March 31, 2016 and 2015 includes $1,272 resulting from the transfer of the net assets of the Interim Authority for Community Living British Columbia to CLBC on October 7, 2005. CLBC has issued and registered to the Minister of Finance one share with a par value of ten dollars, which is also included in accumulated surplus.

11. Financial instruments

In management's opinion, CLBC is not exposed to significant credit, currency, interest rate, liquidity and market risks relating to the valuation of financial instruments.

Cash is held in a savings account and is insured by the Credit Union Deposit Insurance Corporation. CLBC routinely monitors receivables for credit risk through analysis of the nature, terms and aging of receivables. CLBC's maximum exposure to credit risk at March 31, 2016 is $23,740 (2015 - $26,394) of which $23,071 (2015 - $25,751) is insured by the Credit Union Deposit Insurance Corporation, or is due from the Province of British Columbia, its health authorities or the Government of Canada.

Accounts payable, accrued liabilities, salaries, wages and benefits payable are payable within one year.

12. Related party transactions

CLBC is related to various British Columbia public sector entities through common control by the Province of British Columbia. Transactions with these entities and the Province of British Columbia are considered to be in the normal course of operations and are recorded at their exchange amounts.

The amounts of related party transactions and balances not disclosed elsewhere in these financial statements are as follows:

	2016		2015	
	Province of BC	BC public sector entities	Province of BC	BC public sector entities
For the year ended March 31:				
Other income	$ 390	$ -	$ 445	$ -
Supports and services:				
Developmental Disabilities Program	-	5,966	-	6,316
Personal Supports Initiative	-	24	-	-
Provincial services	1,509	-	1,464	-
Regional operations & administration	10,837	128	10,684	132
As at March 31:				
Accounts payable and accrued liabilities	725	388	538	954
Salaries, wages and benefits payable	128	-	186	-
Prepaid expenses	31	-	35	-

13. Segment reporting

CLBC operates in one business segment as described in Note 1.

14. Expenses by object

	2016	2015
Contracted supports and services	$ 796,708	$ 761,381
Compensation and benefits	40,255	40,908
Facilities	5,204	5,261
Communications and information technology	4,155	4,042
General Expenses	2,802	4,485
Administration	1,729	1,918
Amortization of tangible capital assets	2,895	3,806
	$ 853,748	$ 821,801

15. Commitments, contractual obligations and contingencies

a) Operating lease commitments

CLBC leases premises under operating leases. Minimum future lease payments as at March 31, 2016 are as follows:

Year ending March 31,	
2017	$ 4,689
2018	2,109
2019	1,301
2020	1,255
2021	990
2022 and beyond	32

b) Contractual Obligations

Contracted supports and services are primarily delivered by independent service providers under the terms of contracts which have termination notice periods of between 30 and 90 days.

c) Litigation

The nature of CLBC's activities is such that there is occasional litigation where CLBC is named as a defendant. With respect to known claims, management is of the opinion that CLBC has valid defences and appropriate insurance or other coverage in place, or if there is unfunded risk, such claims are not expected to have a material effect on CLBC's financial position and results of operations. Where it is determined that a liability is likely to exist and the amount can be reasonably determined, the amount is recorded as an accrued liability and an expense.

16. Budgeted figures

Budgeted figures are provided for comparison purposes and represent the approved budget as disclosed in the CLBC 2015/16 Service Plan dated February 17, 2015.